



STATE OF IOWA
MASTER AGREEMENT

MA# 005 CT3025 2
EFFECTIVE BEGIN DATE: 07-24-2006
EXPIRATION DATE: 06-29-2012
PAGE: 1 of 4

BUYER : ASHLEY SUPER
ashley.super@iowa.gov
515-281-7073
FOB FOB Dest, Freight Prepaid
PAYMENT TERMS (%): DAYS:

VENDOR:

LASALLE SYSTEMS LEASING
6111 N River Rd

Rosemont, IL 60018
USA

VENDOR CONTACT:
Robert Metzen
PHONE: 847-823-9600 **EXT:**
EMAIL: bmetzen@elasalle.com
VENDOR #: 61142305200

DESCRIPTION OF ITEMS CONTRACTED

LEASING - OFFICE & COMPUTER MASTER AGREEMENT

This short form contract for ordering purposes in i3 only. The actual master agreement is on file in the Department Of Administrative Services, General Services Enterprise, Purchasing Division, Level A, Hoover Building, Des Moines, IA 50319.

All orders shall be accompanied by the following documents:

- 1) Acknowledgement
- 2) Compliance Certification And Statement Of Warranty Agreement.
- 3) Product Order Sheet

These forms are incorporated within the Master Agreement attached.

For Quotes Contact:

John M. Christopher
LaSalle Systems Leasing, Inc.
6111 N. River Road
Rosemont, IL 60018
(847) 653-4621 Direct
(847) 823-1646 fax
jchristopher@elasalle.com

RENEWAL PERIODS

FROM 06-30-2012 **TO** 06-29-2013
FROM 06-30-2013 **TO** 06-29-2014
FROM 06-30-2014 **TO** 06-29-2015
FROM 06-30-2015 **TO** 06-29-2016
FROM 06-30-2016 **TO** 06-29-2017

THRESHOLDS

MINIMUM ORDER AMOUNT:
MAXIMUM ORDER AMOUNT:
NOT TO EXCEED AMOUNT:

AUTHORIZED DEPARTMENT

ALL
SUB Political Sub-divisions

TOTAL \$0.00

VENDOR: _____

APPROVED BY: _____

**THIS MA IS SUBJECT TO THE TERMS AND
CONDITIONS ATTACHED HERETO.
PLEASE SEE ATTACHMENTS FOR
FURTHER DESCRIPTIONS.**



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MA# 005 CT3025 2

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PAGE: 2 of 4

LINE NO.	QUANTITY / SERVICE DATES	UNIT	COMMODITY / DESCRIPTION	UNIT COST / PRICE OF SERVICE
1	0.00000		984	\$0.000000
			RENTAL OR LEASE SERVICES OF COMPUTERS, DATA PROCESSING, AND	\$0.000000



**STATE OF IOWA
MASTER AGREEMENT**

MA# 005 CT3025 2
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EXPIRATION DATE: 06-29-2012
PAGE: 3 of 4

TERMS AND CONDITIONS

Incorporation

The Request for Proposal and/or bid documents for this project and the vendor's proposal in response to the RFP or Bid together with any clarifications, attachments, appendices, or amendments of the State or the Vendor are incorporated into this Contract by reference as if fully set forth in this Contract.

Remedies upon Default

In any case where the vendor has failed to deliver or has delivered non-conforming goods and/or services, the State shall provide a cure notice. The notice to cure shall state the maximum length of time the vendor has to cure. If after the time period stated in the notice to cure has passed, the vendor continues to be in default, the State may procure goods and/or services in substitution from another source and charge the difference between the contracted price and the market price to the defaulting vendor. The State's Attorney General shall be requested to make collection from the defaulting vendor.

Force Majeure

Force majeure includes acts of God, war, civil disturbance and any other causes which are beyond the control and anticipation of the party affected and which, by the exercise of reasonable diligence, the party was unable to anticipate or prevent. These provisions of force majeure also apply to subcontractors or suppliers of the Vendor. Force majeure does not include financial difficulties of the Vendor or any associated company of the Vendor, or claims or court orders that restrict the Vendor's ability to deliver the goods or services contemplated by this Agreement. Neither the Vendor nor the State shall be liable to the other for any delay or failure of performance of this Agreement caused by a force majeure, and not as a result of the fault or negligence of a party.

Subcontractors

The successful vendor shall be responsible for all acts and performance of any subcontractor or secondary supplier that the successful vendor may engage for the completion of any contract with the State. A delay that results from a subcontractor's conduct, negligence or failure to perform shall not exempt the vendor from default remedies. The successful vendor shall be responsible for payment to all subcontractors and all other third parties.

Termination-Non-Appropriation

Notwithstanding any other provision of this contract, if funds anticipated for the continued fulfillment of this contract are at any time not forthcoming or insufficient, either through the failure of the State to appropriate funds, discontinuance or material alteration of the program for which funds were provided, then the State shall have the right to terminate this contract without penalty by giving not less than thirty (30) days written notice documenting the lack of funding, discontinuance or program alteration.

Immunity of State/Fed Agencies

The vendor shall defend and hold harmless the State and Federal funding source for the State of Iowa from liability arising from the vendor's performance of this contract and the vendor's activities with subcontracted and all other third parties.

Assignment

Vendors may not assign contracts or purchase orders to any party (including financial institutions) without written permission of the General Services Enterprise - Purchasing.

Anti-Trust Assignment

For good cause and as consideration for executing this purchase order, the vendor, through its duly authorized agent, conveys, sells, assigns, and transfers to the State of Iowa all rights, title and interest in and to all causes of action it may now or hereafter acquire under the anti-trust laws of the United States and the State of Iowa, relating to the particular goods or services purchased or acquired by the State of Iowa pursuant to the using State of Iowa agency.

Delivery and Acceptance

When an award has been made to a vendor and the purchase order issued, deliveries are to be made in the following manner.

- A. Deliveries - All deliveries are to be made only to the point specified on the purchase order. If delivery is made to any other point, it shall be the responsibility of the vendor to promptly reship to the correct location. Failure to deliver procured goods on time may result in cancellation of an order or termination of a contract at the option of the State.
- B. Delivery Charges - All delivery charges should be to the account of the vendor whenever possible. If not, all delivery charges should be prepaid by vendor and added to the invoice.
- C. Notice of Rejection - The nature of any rejections of a shipment, based on apparent deficiencies disclosed by ordinary methods of inspection, will be given by the receiving agency to the vendor and carrier within a reasonable time after delivery of the item, with a copy of this notice to the General Services Enterprise - Purchasing. Notice of latent deficiencies which would make items unsatisfactory for the purpose intended may be given by the State of Iowa at any time after acceptance.

Delivery and Acceptance (cont)

- D. Disposition of Rejected item - The vendor must remove at the vendor's expense any item rejected by the State. If the vendor fails to remove that rejected item, the State may dispose of the item by offering the same for sale, deduct any accrued expense and remit the balance to the vendor.
- E. Testing After Delivery - Laboratory analysis of an item or other means of testing may be required after delivery. In such cases, vendors will be notified in writing that a special test is being made and that payment will be withheld until completion of the testing process.

Title to Goods

The vendor warrants that the goods purchased hereunder are free from all liens, claims or encumbrances.

Indemnification

To the extent that goods are not manufactured in accordance with the State's design, the vendor shall defend, indemnify and hold harmless the State of Iowa, the State's assignees, and other users of the goods from and against any claim of infringement of any Letter Patent, Trade Names, Trademark, Copyright or Trade Secrets by reason of sale or use of any articles purchased hereunder. The State shall promptly notify the vendor of any such claim.

Nondiscrimination

The vendor is subject to and must comply with all federal and state requirements concerning fair employment and will not discriminate between or among them by reason of race, color, religion, sex, national origin or physical handicap.

Warranty

The vendor expressly warrants that all goods supplied shall be merchantable in accordance with the Uniform Commercial Code, Section 2-314 and the Iowa Code, Section 554.2314.

Taxes



**STATE OF IOWA
MASTER AGREEMENT**

MA# 005 CT3025 2
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EXPIRATION DATE: 06-29-2012
PAGE: 4 of 4

The State of Iowa is exempt from the payment of Iowa sales tax, motor vehicle fuel tax and any other Iowa tax that may be applied to a specified commodity and/or service. Contractors performing construction activities are required to pay state sales tax on the cost of materials. The Iowa Department of Revenue exemption letter will be furnished to a vendor upon request.

Hazardous Material

All packaging, transportation, and handling of hazardous materials shall be in accordance with applicable federal and state regulations including, but not limited to, the Material Safety Data Sheet provision of O.S.H.A. Hazard Communication Standard 29CFR 1910.1200, and Iowa Administrative Code, Chapter 567.

Public Records

The laws of the State of Iowa require procurement records to be made public unless exempted by the Code of Iowa.

Miscellaneous

The terms and provisions of this contract shall be construed in accordance with the laws of the State of Iowa. Any and all litigation or actions commenced in connection with this contract shall be brought in Des Moines, Iowa, in Polk County District Court for the State of Iowa. If however, jurisdiction is not proper in Polk County District Court, the action shall only be brought in the United States District Court for the Southern District of Iowa, Central Division, providing that jurisdiction is proper in that forum. This provision shall not be construed as waiving any immunity to suit or liability, which may be available to the State of Iowa.

If any provision of this contract is held to be invalid or unenforceable, the remainder shall be valid and enforceable.

Records Retention

The vendor shall maintain books, records, and documents which sufficiently and properly document and calculate all charges billed to the State of Iowa throughout the term of this Agreement for a period of at least five (5) years following the date of final payment or completion of any required audit, whichever is later. The vendor shall at, no charge, permit the Auditor of the State of Iowa, or any authorized representative of the State (or where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government) to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records, or other records of the vendor relating to orders, invoices, or payments documentation or materials pertaining to this Agreement.

Independent Contractor

The vendor is an independent contractor performing services for the State of Iowa, and as such shall not hold itself out as an employee or agent of the State.

Performance Monitoring

For all service contracts, the requirements of Iowa Code sections 8.47 shall be incorporated into final terms and conditions of the contract.

N60

NET 60 DAYS

OTH

LISTED BELOW

MASTER LEASE AGREEMENT # 649

July 18, 2006

This Lease has been written in "Plain English". When we use the words **you** and **your** in this Lease, we mean **you, an agency or instrumentality of the STATE OF IOWA, or the customer**, which is the Lessee indicated below. When we use the words **we**, **us**, and **our** in the Lease, we mean the lessor, **LASALLE SYSTEMS LEASING, INC.** and its designees, agents, successors and assigns.

1. LEASE; DELIVERY AND ACCEPTANCE; AND, PAYMENT.

- a. You agree to lease the Equipment described in this Lease ("Products") as shown on a Product Order in the form attached hereto as Exhibit A issued by an agency or instrumentality of yours (the "Purchase Order") on the terms and conditions shown in this Lease.
- b. Both parties (we and you) acknowledge and understand that individual State of Iowa agencies or instrumentalities of you may, from time-to-time, issue a Product Order for Products. (This agreement does not extend to political subdivisions or their agencies or instrumentalities.) The terms of this Lease will govern all the rights and obligations of you and us for each Product Order.
- c. This Lease will become effective on the date this Lease has been executed by both you and us, and upon receipt by us of the Compliance, Certifications and Statements attached hereto as Exhibit B, which substitutes for an executed opinion of counsel; an incumbency certificate from you concerning your officers executing this Lease; a certificate of appropriations for the current fiscal year which will be your fiscal year, beginning on July 1st and ending on June 30th of the next year; and, a statement of self insurance. Your obligation to pay the Lease Payment will begin on the date the Products are accepted by you, in accordance with subsection 1.d below. If the Products are accepted on a date other than the first day of the month, the Lease Payment will be prorated from the date of acceptance to the end of the calendar month in which delivery occurs. Lease Payments will then be due on the first day of each subsequent month (Lease Term Commencement Date) for the term specified on the Product Order in the form attached as Exhibit A. You will make all payments required under this Lease to us at the address we specify in writing. If any Lease Payment or other amount payable to us is not paid when it is due, interest on the principal unpaid Lease Payment(s) will accrue at 1% per month.
- d. When you receive the Products, you agree to inspect them to determine if the Products are in good working order. The Products will be deemed accepted by you upon the earlier of a) the delivery to us of a signed Delivery and Acceptance Certificate (if requested by us) or b) 20 consecutive days after delivery of the Products to you if previously you have not given written notice to us of your non acceptance.

2. FUNDING INTENT.

Each agency or instrumentality of you which issues a Product Order under this Lease reasonably believe that funds can be obtained sufficient to make all Lease Payments and other payments during the term of this Lease for the Product(s) shown on the Product Order. Each agency or instrumentality agrees that its chief executive or administrative officer (or the administrative office that has the responsibility of preparing the budget submitted to your governing body, as applicable) will provide for funding for such payments in its annual budget request submitted to your governing body. If your governing body chooses not to appropriate funds for such payments, the agency or instrumentality agrees to request that your governing body will evidence such non-appropriation by specifically omitting funds for such payments due during the applicable fiscal period from the budget that it adopts. You and we agree that your obligation to make Lease Payments under this Lease will be your current expense and will not be interpreted to be a debt in violation of your applicable law or your constitutional limitations or requirements. Nothing contained in this Lease will be interpreted as a pledge of your general tax revenues, funds or monies.

SUBJECT TO SECTION 2 and 3, THE OBLIGATIONS OF LESSEE TO PAY THE RENTAL PAYMENTS DUE UNDER THE PROPERTY SCHEDULES AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON,

INCLUDING WITHOUT LIMITATION, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES. THIS PROVISION SHALL NOT LIMIT YOUR RIGHTS OR ACTIONS AGAINST US OR ANY SUPPLIER

3. NONAPPROPRIATION OF FUNDS.

If sufficient funds are not appropriated and budgeted by your governing body in any fiscal period for Lease Payments or other payments due under a Product Order(s), and (b) the agency or instrumentality has exhausted all funds legally available for such payments, then you will give us written notice and the Product Order issued under this Lease will terminate as of the last day of your fiscal period for which funds for Lease Payments are available to the terminating agency or instrumentality. Such termination is without any expense or penalty, except for the portions of the Lease Payments and those expenses associated with return of the Products in accordance with this Lease for which funds have been budgeted and appropriated or are otherwise legally available to the terminating agency or instrumentality.

Upon the occurrence of such non-appropriation (an "Event of Non-appropriation") you shall, no later than the end of the fiscal year for which Rental Payments have been appropriated, deliver possession of the Property under said Property Schedule to us. If you fail to deliver possession of the Property to us upon termination of said Property Schedule by reason of an Event of Non-appropriation, the termination shall nevertheless be effective but you shall be responsible for the payment of damages in an amount equal to the portion of Rental Payments thereafter coming due that is attributable to the number of days after the termination during which the you fail to deliver possession and for any other loss suffered by us as a result of your failure to deliver possession as required. In addition, we may, by written instructions to the Agent or to any other escrow agent, who is holding proceeds of the Property Schedule, instruct the Agent or such escrow agent to release all such proceeds and any earnings thereon to us, such sums to be credited to your obligations under the Property Schedule and this Agreement. You shall notify us in writing within fifteen (15) days after the failure to appropriate funds sufficient for the payment of the Rental Payments, but failure to provide such notice shall not operate to extend the Lease Term or result in any liability to you.

4. NO WARRANTIES AS TO EQUIPMENT.

WE ARE LEASING THE EQUIPMENT TO YOU "AS-IS". YOU ACKNOWLEDGE THAT WE DO NOT MANUFACTURE THE EQUIPMENT. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE. YOU AGREE THAT, REGARDLESS OF CAUSE, WE ARE NOT RESPONSIBLE FOR AND YOU WILL NOT MAKE ANY CLAIM AGAINST US FOR ANY DAMAGES, WHETHER CONSEQUENTIAL, DIRECT, SPECIAL, OR INDIRECT DAMAGES. We transfer to you for the term of this Lease any warranties made by the Supplier (as defined in this section of the Lease) under any supply contract with respect to the Products that are transferable. Both parties (we and you) acknowledge that you may be entering in one or more separate agreements with the Product's manufacturer, its designated reseller or other authorized entity (collectively Supplier) to provide certain Product services (Services Agreement). Both parties (we and you) acknowledge and agree that the Services Agreement may require the Supplier to make Lease Payments to us directly or indirectly. We agree to accept such payments from the Supplier as if you made such Lease Payment(s). We also agree to reduce any Lease Payment due by you or to become due under the Lease *only* by the amount we *actually* receive from the Supplier. *However, you remain primarily liable pursuant to Section 2, paragraph 2 if any Supplier or Service Agreement Supplier fails to pay* Notwithstanding the foregoing, nothing herein shall be deemed to alter or extend any Lease Payment due date under any Lease.

5. PRODUCT LOCATION; FINANCING STATEMENTS; USE AND REPAIR; AND, RETURN.

- a. You will keep and use the Products only at the Location(s) shown in each Product Order. You may move the Products within the agency or to field offices of an agency, we *request* the agency moving the Products will notify us in writing of the location(s) to which the Products have been moved which notice shall be provided within thirty (30) days of the date of relocation.
- b. At our request, you will sign or obtain and send us any financing statements, waivers or financial information that we reasonably ask for, or we can file pursuant to Section 9 of this agreement.

- c. At your own cost and expense, you will keep the Products eligible for any manufacturer's certification, in compliance with all applicable laws and in good condition, except for ordinary wear and tear. You will not make any alterations, additions or replacements to the Products without our prior written consent, which consent will not be unreasonably withheld. With the exception of software and data that will not become part of the Products, other alterations, additions and replacements will become part of the Product and will be our property (subject to your Lease rights) at no cost or expense to us. We may inspect the Product at any reasonable time during your normal working hours.
- d. Unless the OPTIONAL PRODUCT RETURN REQUIREMENTS in Exhibit A is selected, within 10 days of the expiration or earlier termination of this Lease you will, unless you enter into a written renewal agreement with us, based upon our reasonable determination of the then fair market value of the Products, deliver the Products to us in good condition and repair, except for ordinary wear and tear, to any place in the United States that we tell you, and upon our request, you will provide us with a certification from the Supplier regarding the Product's condition. You agree to give us 60 days written notice, prior to lease termination, of your intent to renew the lease or return the equipment. You will pay all expenses of de-installing, crating and shipping, and you assume the risk of loss during shipping.

6. TAXES AND FEES.

During the term of this Lease, we will assume responsibility for filing all property tax returns and paying such taxes. We may either (a) estimate the annual tax obligation and collect a portion of same with each Lease Payment (with an annual reconciliation of excess or insufficient collections), or (b) we may invoice you for property tax due and owing by you to us and you agree to reimburse us. We acknowledge that you are a tax exempt entity.

7. LOSS OR DAMAGE.

As between you and us, you are responsible for any loss, theft or destruction of, or damage to, the Products (collectively "Loss") from any cause at all, whether or not insured, until same is delivered to us at the end of this Lease. You are required to make all Lease payments even if there is a Loss. You must notify us in writing immediately of any Loss. Then, at our option, you will either (a) repair the Products so that it is in good condition and working order, eligible for any manufacturer's certification, or (b) pay us the amounts specified in Section 11(c) below.

8. INSURANCE.

You will provide a statement of self-insurance (Exhibit D) for property damage and public liability risks with respect to the Products leased under this Lease. In lieu of maintaining an insurance policy(ies) for property damage and public liability, you may self insure against such risks, provided that our interests are protected and we are allowed to make a lawful claim under applicable law for reimbursement in the event of loss or damage to the Product. You will promptly notify us if the law authorizing us to make a claim against you for property damage or public liability changes during the term of this Lease. If we reasonably believe that our ability to make a lawful claim is diminished as a result of the change in the law, we may require you to provide and maintain a policy of insurance for property damage and public liability in reasonable amounts to protect our interests for the remainder of the Lease.

9. TITLE; RECORDING.

We are the owner of the Products. You will keep the Products free of all liens and encumbrances. As a precautionary measure, in the event this is determined to be a lease intended as security with respect to the Product, you grant us a purchase money security interest in the Product (including any replacements, alterations and additions, except software and data). You will deliver to us signed financing statements or other documents we reasonably request to protect our interest in the Product. **YOU AUTHORIZE US TO FILE A COPY OF THIS LEASE, TOGETHER WITH THE PRODUCT ORDER, AS A FINANCING STATEMENT AND**

YOU AGREE TO EXECUTE AND PERMIT US TO FILE, ON YOUR BEHALF, FINANCING STATEMENTS COVERING THE PRODUCT(S).

To the extent permitted by applicable law, we and you agree that no rights or remedies referred to in Article 2A of the Uniform Commercial Code shall be conferred upon either you or us as against each other except as provided in this IT Equipment Leasing Terms and Conditions Agreement.

We and you acknowledge that this Lease is not subject to consumer protections or consumer remedies or consumer warranties that may be granted by Iowa or federal law.

10. DEFAULT.

Each of the following is a "Default" under this Lease:

- a. You fail to pay any Lease Payment or any other payment when it is due under this Lease, or
- b. You breach or fail to perform any representations, warranties or agreements under this Lease, and the failure continues for 30 or more consecutive days after we give you written notice of the failure.
- c. Any statement, representation or warranty made by you in or pursuant to the Property Schedule or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;
- d. You shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator, or of all or a substantial part of the assets of yours, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against you in any bankruptcy, reorganization or insolvency proceeding.

11. REMEDIES.

If a Default occurs and remains uncured, we may do *and you agree to do*, one or more of the following:

- a. We may cancel or terminate the Product Order for the agency in default under the terms of this Lease; and, without terminating the Property Schedule, and by written notice to you, we may declare all Rental Payments and other amounts payable by you thereunder to the end of your then-current budget year to be due, including without limitation delinquent Rental Payments under the Property Schedule from prior budget years, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less.
- b. We may require you to deliver the Products to us (*within 10 days*) per Paragraph 5.
- c. If the Equipment has been lost by you or damaged by you beyond its repair, we may require you to pay the amount listed on the Stipulated Loss Table attached to the Product Order.
- d. We may exercise any other right or remedy available at law or in equity.
- e. Our rights are cumulative and non-exclusive.

12. ASSIGNMENT.

YOU MAY NOT ASSIGN, SELL, TRANSFER, OR SUBLEASE THE PRODUCTS OR YOUR INTEREST IN THIS LEASE. We may sell, assign or transfer this Lease, the Lease Payments, our rights in the Product(s) and/or any portion of the foregoing so long as your right to use the Product(s) during the term of this Lease are not disrupted and your rights under this Lease do not change. You also agree that the new owner will have the same rights and benefits that we have now under this Lease. You agree that regardless of cause, the new owner(s) are not responsible for and you will not make any claim against them for any damages, whether consequential, direct, special, or indirect (including, without limitation, any claim for loss of profits, loss of data

or indirect, special, punitive, incidental or consequential damage or expense caused by the malfunction or defect of the products or any services, covered by a separate services agreement. This provision shall apply even if you have been advised of the possibility of such damage, loss, expense or cost. The rights of the new owner are absolute and unconditional and will not be subject to any abatement, claim, counterclaim, defense or set-off that you may have against us. The new owner will also agree to accept Lease Payment(s) from a Supplier as stated in paragraph 4 of this Lease.

13. INDEMNIFICATION.

You are responsible for any losses, damages, taxes, penalties, interest, claims, suits, actions and any attorneys' fees (collectively "Claims"), whether based on a theory of strict liability or otherwise caused by or related to (a) the manufacture, installation, use, lease, possession, or delivery of the Product or (b) any defects in the Product. To the extent allowed by the Iowa Constitution and Iowa law, you agree to reimburse us for, and if we request, to defend us against any Claims.

14. AUTHORIZATION AND PRODUCT USE.

You represent that:

- a. You are a state agency or an instrumentality of the State of Iowa; and,
- b. The entering into and performance of this Lease is authorized under your State laws and constitution and does not violate or contradict any judgment, law, order, or regulation, or cause any default under any agreement to which you are a party; and,
- c. You have complied with all bidding requirements and, where necessary, have properly presented this Lease for approval and adoption as a valid obligation on your part; and,
- d. You have sufficient appropriated funds or other moneys available or which will become available, to pay all amounts due under this Lease for your current fiscal period; and,
- e. The use of the Products is essential for your proper, efficient and economic operation, you will be the only entity to use the Products during the term of this Lease and you will use the Products only for your governmental purposes. Upon our request, you agree to provide us with any other documents that we reasonably request, with all such documents being in a form reasonably satisfactory to us, and
- f. You will make a reasonable request for spending authority for the continued funding of the Lease during the budget process before the budget is submitted to the General Assembly.

15. CHOICE OF LAW.

THIS LEASE WILL BE GOVERNED BY THE LAWS OF THE STATE OF IOWA AND ANY LAWSUIT SHALL BE BROUGHT ONLY IN IOWA STATE COURT IN POLK COUNTY, OR IN FEDERAL COURT IN THE SOUTHERN DISTRICT OF IOWA, IF VENUE AND JURISDICTION ARE PROPER IN FEDERAL COURT.

16. CHANGES TO LEASE IN WRITING; ENFORCEMENT OF RIGHTS.

You agree that the terms and conditions contained in this Lease and the Product Order make up the entire agreement between you and us regarding the lease of the Products. This Lease is not binding on either party until both you and us have signed it. Any change in any of the terms and conditions of this Lease must be in writing and signed by both you and us. If we delay or fail to enforce any of our rights under this Lease, we will still be entitled to enforce those rights at a later time, if the claim is within the applicable statute of limitations.

17. NOTICES.

All notices will be given in writing by the party sending the notice and will be effective when the notice is received by the other party as shown on the proof of mailing or delivery (such as US Certified Mail, Return Receipt Requested or a delivery receipt signed and dated by the party to whom the notice is delivered) at the address shown on the front of this Lease (or to any other address specified by that party in writing). All notices will be sent by one party to the other postage or delivery prepaid.

If to Lessor: Donna Formusa / Lease Administration, LaSalle Systems Leasing, Inc., 6111 N. River Rd, Rosemont, IL 60018 Phone-847-653-4611; Fax-847-823-1646; E-mail-dformusa@elasalle.com

If to the State: Ashley Super, PA III, Iowa Dept. of Administrative Services, GSE, Hoover State Office Building, Des Moines, IA 50319-0105; Fax: 515-242-5974; Email: ashley.super@iowa.gov

18. MISCELLANEOUS.

- a. The intent of this master agreement is to provide a pre-negotiated instrument for State Agencies to obtain "operating leases" on equipment that comply with FASB 13 Rules. Applicable administrative acquisition rules apply to source selection of equipment. See IAC 8/18/04 [11] Ch 105. This lease agreement can be used for any product, manufacturer or supplier.
- b. This Lease is for the benefit of and is binding upon you, your successors and assigns.
- c. If a court finds any provision of this Lease to be unenforceable, the remaining terms of this Lease remain in effect.
- d. All rights and indemnities will survive the termination of this Lease.
- e. It is the express intent of the parties not to violate any applicable usury laws or to exceed the maximum amount of time price differential or interest and other charges, as applicable, permitted to be charged or collected by applicable law, and any such excess payment will be applied to Lease Payments in inverse order of maturity, and any remaining excess will be refunded to you.
- f. If you do not perform any of your obligations under this Lease, we have the right, but not the obligation; to pay any amounts that we believe are reasonably necessary to protect our interests. To the extent allowed under the Iowa Constitution and Iowa law, you agree to reimburse us upon our demand for any such amounts that we reasonably pay.

BY SIGNING THIS LEASE: (I) YOU AND WE ACKNOWLEDGE THAT YOU AND WE HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF THIS LEASE, (II) BOTH PARTIES AGREE THAT THIS LEASE IS A NET LEASE THAT CANNOT BE TERMINATED OR CANCELED EXCEPT AS SPECIFICALLY PROVIDED HEREIN, (III) EACH PARTY WARRANTS TO THE OTHER THAT THE PERSON SIGNING THIS LEASE ON ITS BEHALF HAS THE AUTHORITY TO DO SO AND TO GRANT THE POWER OF ATTORNEY SET FORTH IN THIS LEASE, AND (IV) YOU CONFIRM THAT YOU DECIDED TO ENTER INTO THIS LEASE RATHER THAN PURCHASE THE PRODUCTS YOU AND WE EXPRESSLY WAIVE ANY RIGHTS TO A TRIAL BY JURY. YOU AGREE THAT THIS LEASE IS NOT FINAL UNTIL SIGNED BY EACH PARTY.

STATE OF IOWA

By: _____

Printed Name: Ashley Super, DAS GSE

Title: Purchasing Agent III

Date: 7/24/06

LASALLE SYSTEMS LEASING, INC.

By: _____

Printed Name: Robert J. Metzen

Title: President

Date: 7/24/06

EXHIBIT A – PRODUCT ORDER

NOTE: This document must be completed and signed by the Agency head or designee together (with the signature of an appropriate state employee to attest to the truthfulness of the statements). A copy of the executed document and the completed Lease Agreement cover sheet must be forwarded to the Iowa Department of Administrative Services, GSE Purchasing, Hoover Bldg, Level A, Des Moines, IA 50319.

IOWA DEPARTMENT OF ADMINISTRATIVE SERVICES, FOR AND ON BEHALF OF:		Purchasing Agent's Name:	
AGENCY (Customer):		Purchasing Agent Ph #:	
CUSTOMER ADDRESS:		Purchasing Agent Fax #:	
		Purchasing Agent's Email:	
DESCRIPTION OF PRODUCTS	Equipment: See attached Product Order Schedule. Additional order forms may be attached to this Lease. (Please Note: Other Supplier Product Invoices may be used provided that they do not alter the terms of this Lease or the Master Services Agreement.)		
TERM AND LEASE PAYMENT SCHEDULE (The Stipulated Loss Value Table as referenced in section 11 of the Master Lease Agreement must be attached to this document as part of the transaction.)	Lease Term:	Operating Lease Payment:	It is the intent of both parties that this Lease is an operating lease, and not a capital lease as a capital lease (conditional sale) is characterized in Iowa Code section 12.28. The agency and the Lessor should satisfy themselves that the terms of this Lease comply with all parts of F.A.S.B. #13, and its interpretations, explanations and clarifications.
		\$ _____ / _____ Payment Includes: <input type="checkbox"/> Maintenance: \$ _____ <input type="checkbox"/> Optional Shipping: * \$ _____	

Important!! An Executed Compliance Certifications and Statements (Exhibit B to the Lease) must accompany each transaction. Agencies must complete Compliance Certifications and Statements and attach it to this document.

*** OPTIONAL PRODUCT RETURN REQUIREMENTS:**

If selected, as soon as practicable following the last day of the Lease Term of this Schedule (and any other time Lessee is required to return all Product to Lessor), but in no event later than three (3) days thereafter, Lessee shall carefully de-install the Product in accordance with the manufacturer's specifications and guidelines, and deliver the Product to Lessor, for Lessor's pick-up at Lessee's loading dock at Lessee's facilities (individually each a "Designated Pick-up Location" and collectively the "Designated

Pick-up Locations"). Tender of Product for return to Lessor shall be made at a mutually agreeable time during Lessee's regular business hours.

Lessor shall cause its authorized carrier to pack the Product, pick up the Product at the applicable Designated Pick-up Location, and to ship the Product, insured, to Lessor's designated return facility(ies). So long as the Designated Pick-up Location is within the continental United States, no Default has occurred, and Lessee tenders at least fifteen (15) Pieces of Product per pick-up of Product at each Designated Pick-up Location ("Minimum Pickup"), all actual charges from the Designated Pick-up Locations to Lessor's return facility(ies) shall be borne by Lessor; provided, however, that, Lessee shall pay further return charges if any one or more of the foregoing assumptions in this sentence are not applicable as follows:

- a) In the event Lessee fails to tender the Minimum Pickup, Lessee shall pay a minimum charge of \$ _____ (Not to exceed \$525.00) which shall be payable by Lessee promptly upon Lessor's demand therefore after the return of the Product into Lessor's possession;
- b) If the Designated Pick-up Location is not within the continental United States then Lessee shall pay such other price as customarily charged by Lessor for such location; and
- c) If a Default occurs, Lessee shall pay all actual costs of any Product packing, transportation, in-transit insurance and shipping.

For purposes of this section in respect to this Schedule, the term "Piece of Product" shall mean any one physically separate piece of standard size office or computer equipment, including, without limitation, central processing units (e.g. notebooks) and servers; associated computer equipment, including, without limitation, scanners, monitors, dumb terminals, hubs, routers, printers and related peripherals; and other office equipment, including, without limitation, fax machines, overhead projectors, and desktop copiers. Small, non-serialized computer products, such as a mouse, external drives or cables, and other such accessories shall not be counted as separate Pieces of Product hereunder, and may be grouped in a desktop monitor box as one Piece of Product, and up to 15 keyboards may be grouped together as one Piece of Product. All Products shall be returned to Lessor in the same condition and working order as when delivered to Lessee, reasonable wear and tear excepted, and shall qualify for maintenance service by the Supplier at its then standard rates for Product of that age, if available.

Lessee shall be responsible for, and shall reimburse Lessor promptly on demand for such damaged or missing components and Product based upon the repair costs to qualify the Product for the Supplier's maintenance service or, if not available, to return the Product to good working condition.

EXHIBIT B
Compliance Certifications & Statements plus Statement of Warranty Agreement

NOTE: This document must be completed and signed by the Agency head or designee together (with the signature of an appropriate state employee to attest to the truthfulness of the statements). A copy of the executed document and the completed Lease Agreement cover sheet must be forwarded to the Iowa Department of Administrative Services, GSE Purchasing, Hoover Bldg, Level A, Des Moines, IA 50319.

Pursuant to Section 1.C of the Lease Agreement by and between the Iowa Department of Administrative Services, for and on behalf of _____ (Insert Agency Name), an agency or instrumentality of the State of Iowa (customer), and **LASALLE SYSTEMS LEASING, INC.** (lessor), dated _____, this document is attached to and incorporated into the Lease Agreement. By completing and executing this document, the customer and its individual agencies and instrumentalities satisfy the requirements contained in Section 1.C of the Lease Agreement to provide an incumbency certificate from the agency or instrumentality concerning its officer(s) executing this Lease Agreement; a certificate of appropriations or funding authority for the current fiscal year which will be the fiscal year, beginning on July 1st and ending on June 30th of the next year; and, a statement of self insurance. This document also satisfies the agency's requirement to provide, and substitutes for, an executed opinion of counsel.

The term of the Services Agreement as designated herein (see, *Statement of Term of Services Agreement below*) and as shown on the Product Order Schedule and accompanying invoice(s) is hereby incorporated into and made a part of the Master Services Agreement for the Lease Agreement for which this Exhibit A has been prepared and executed.

Certificate of Incumbency:

The undersigned being duly appointed or elected and acting as _____ (Title) of _____

_____ (Insert Agency Name) does hereby certify that the person(s) listed below is/are authorized to enter into this Lease Agreement with LASALLE SYSTEMS LEASING, INC. and the person(s) listed below is/are duly authorized representative(s) of the customer in the capacity set forth opposite the name(s) and that the signature(s) is/are true and correct and, as of the date hereof, have proper statutory or corporate power and authority to execute and deliver any Lease Agreement between the customer and the lessor, any Product Order Schedules pursuant thereto and the documents required thereunder.

Name (Print or Type)	Title (Print or Type)	Signature

(Please note: you cannot certify your own signature. The signature below must be the signature of someone other than the person(s) named above.)

I hereby attest that the information shown above is true and correct as of this _____ day of _____, 200__.

Name (Print or Type)	Title (Print or Type)	Signature

Page 2 of 2

EXHIBIT B
Compliance Certifications & Statements plus Statement of Warranty Agreement

Certificate of Appropriation/Funding Authority:

On the date of execution of this document, the agency certifies that it has sufficient appropriated funds or other moneys available or which will become available, to pay all amounts due under this Lease Agreement for the current fiscal period. In accordance with the Lease Agreement the agency will make a reasonable request for an appropriation or spending authority for the continued funding of the Lease Agreement during the budget process before the budget is submitted to the Iowa General Assembly.

Statement of Self-Insurance:

The entity named above is an agency or an instrumentality of the State of Iowa. The State of Iowa is self-insured. Lessor may make claims for damage against the agency and the State of Iowa in accordance with the Iowa constitution and Iowa Code chapters 25 and 669, and the rules promulgated thereunder.

Statement of Term of Services Agreement:

(Please Note: The term of the Services Agreement must be stated here.)

In accordance with Section 1, subsection 2 of the Master Services Agreement, the Services Agreement applicable to the Lease Agreement for which this Exhibit has been prepared and executed will be in effect for a period of _____ months/years as shown on the Product Order Schedule and the accompanying invoice(s).

(Note: The period of the Services Agreement must be the same as the Lease Agreement, unless the agency and the lessor specifically agree otherwise.)

Name of Authorized Agency Representative: (Please print or Type)	Signature of Authorized Agency Representative:
Title of Authorized Agency Representative: (Please print or Type)	Date:

EXHIBIT C – LEASE WARRANTY AGREEMENT

WHEREAS, the State of Iowa (herein "State") and _____ (herein "Supplier") enter into this Warranty Agreement concerning warranty coverage for leased products (hereinafter together referred to as a "Unit") being leased by the **State of Iowa** from **LASALLE SYSTEMS LEASING, INC**

NOW, THEREFORE, the parties agree as follows:

1. Exhibit A sets forth the terms of the warranty for the leased Units. Notwithstanding anything to the contrary in Exhibit A, all hardware provided by Supplier shall be considered Supplier products for the purposes of warranty coverage.
2. Notwithstanding anything to the contrary in Exhibit A, the State agrees to lease units that meet or exceed the warranty period or the State agrees to purchase an extended warranty to meet the lease term. If the State fails or refuses to purchase an extended warranty, and the lease term extends beyond the warranty period, the warranties in this agreement shall not apply to the period beyond the standard warranty.
3. Supplier warrants that during the term of the product warranty, the Product, under normal use and service, will be free from defects in material and workmanship and shall comply with the applicable Specifications. The foregoing warranties shall not apply to items normally consumed during operation such as, but not limited to, lamps and fuses.
4. Supplier warrants that any installation Services performed by the Supplier with respect to a Product will be free from defects in workmanship for a period of the Lease Agreement.
5. If Hardware is not free from defects in material or workmanship and fails to comply with the applicable Specifications at any time during the Warranty period and Lease term, the Supplier will repair, replace or modify the defective Hardware so that it complies with the applicable Specifications. The warranty service shall be performed at the Installation Site or the Supplier's facility as determined by the Supplier. If Supplier is unable to repair the specific Hardware within Ten (10) calendar days following a notification made directly to Supplier, and after review and determination by Supplier that the Hardware was not repaired and operational within ten (10) calendar days, then Supplier shall pay the State, the *pro rata* daily cost of the Lease Agreement for that specific Hardware item for each day such specific Hardware item is out of use beyond the first ten (10) calendar days following notification directly to Supplier. This shall continue to accrue until the specific Hardware item is repaired or replaced or the Lease Agreement terminates or expires. Supplier's obligation as to this section shall not arise from defects caused by User abuse or neglect.
 - 5a The warranties set forth in this Section shall not apply to any Products where the defect or non-conformance is due to (i) accident, fire, explosion, power failure, power surge or other power irregularity, lightning, alteration, abuse, misuse or repair not performed by the Supplier; (ii) improper storage; (iii) failure to comply with all applicable environmental requirements for the Products as specified by the Supplier or any other applicable supplier, such as but not limited to temperature or humidity ranges; (iv) improper performance of installation, maintenance, operation or other service in connection with the Products, provided that such service was not performed by the Supplier or on the Supplier's behalf; or (v) use in conjunction with an incompatible product as specified by the supplier.

Page 2 of 2

EXHIBIT C – LEASE WARRANTY AGREEMENT

- 5b THE WARRANTIES SET FORTH IN THIS SECTION SHALL NOT APPLY TO THIRD PARTY SOFTWARE, (PROVIDED HOWEVER THAT THE SUPPLIER SHALL ASSIGN TO THE CUSTOMER TO THE EXTENT OF THE SUPPLIER'S RIGHT TO DO SO, THE WARRANTY RIGHTS GRANTED TO THE SUPPLIER BY THE APPROPRIATE SUPPLIER OF SUCH THIRD PARTY SOFTWARE.
6. Unless the Supplier elects to repair or replace defective Hardware at the Customer's facility, all Hardware to be repaired or replaced shall be de-installed, packed and shipped by the Customer in accordance with the Supplier's instructions.
7. The Supplier warrants that the Products leased under the Lease Agreement will: (i) record, store, process, before, on and after December 31, 1999 and when used in accordance with the manufacturer's published Product user documentation covering, installation, use and maintenance as provided by the Supplier; (ii) lose no material functionality or substantially degrade in performance with respect to the introduction of records containing dates before, on or after December 31, 1999; and (iii) solely for the purpose of determining the interoperability of the Products with other equipment regarding the subject of Year 2000 readiness, the Products will be substantially interoperable with other equipment provided such equipment exchanges date data with the Products in accordance with the manufacturer's specifications.
9. Performance of the Services by the Supplier shall comply with all substantive requirements of applicable federal or national laws, state or provincial laws, municipal and local ordinances and regulations in effect on the date of execution of this Agreement as well as industry standards for the performance of such Services; provided that the Customer shall have performed its responsibilities. If there are any violations of such laws or regulations (of which the Supplier had been notified by the Customer) due to the Supplier's action or inaction, the Supplier shall correct the violation at its sole expense.

IN WITNESS WHEREOF, the parties have executed this Agreement.

State of Iowa		Supplier:	
By: _____		By: _____	
Printed Name: _____		Printed Name: _____	
Title: _____		Title: _____	
Date: _____		Date: _____	

Additional Warranty Documentation Attached and Incorporated Herein ____ yes ____ no.

EXHIBIT D



Iowa Department of
Administrative Services

General Services Enterprise

Thomas J. Vilsack, Governor
Sally J. Pederson, Lt. Governor

Mollie K. Anderson, Director
Paul F. Carlson, Chief Operating Officer

LaSalle Systems Leasing, Inc.
6111 N. River Road
Rosemont, IL 60018

July 18, 2006

SUBJECT: Acknowledgement of Self Insurance

LaSalle Systems Leasing:

This letter is to confirm the State of Iowa's responsibility to self-insure all the equipment leased under Master Lease Agreement # 649, dated July 18, 2006 as described in Paragraph 8: Insurance of the Master Lease. Claims, should there be any, would be payable to LaSalle Systems Leasing, Inc. and its' assigns as their interest may appear.

The signature below acknowledges the State of Iowa's obligation to self-insure.

State of Iowa

By: 

Title: PAYM

Date: 7/24/06

Acknowledgement of Acceptance
Master Lease Agreement # 649

I _____, _____ of
(Name*) (Title *)

_____, have read the entire Lease Agreement # 649 signed
(Agency)

with **LaSalle Systems Leasing, Inc.** and agree to its terms and conditions on behalf of my agency.

(Signature)*

(Date)

Copy to:

Ashley Super, Purchasing Agent III
Iowa Department of Administrative Services
General Services Enterprise- Purchasing Division
Hoover State Office Building - Level A
Des Moines, IA 50319-0105
Phone: 515-281-7073
Fax: 515-242-5974
E-mail: ashley.super@iowa.gov

* Person signing must be the agency's Chief Financial Officer, Deputy Director, or Director.

The LaSalle Letter



LaSalle Systems Leasing, Inc.
An MB Financial Company

Summer, 2006

President's Column

by Robert Metzen



Financing options for equipment acquisition

Today businesses are required to consider a number of factors when acquiring equipment. The most important are generally:

- What specific asset do we need?
- How will the acquisition impact our budget?
- Who will maintain the equipment?
- How, especially given the greater influence of more stringent corporate governance and Sarbanes Oxley rules, will we track and manage the assets?

All factors are important, and thereby given serious consideration. The choices regarding the factors above will have impact on a business, both positive and negative, for years to come.

Although many readily recognize this when it comes to equipment selection and proper maintenance, it is also very important to consider these factors when choosing a financing option.

It is critical for businesses to effectively use the financing options available to them. Depending on the size, type and existing financial structure of a company, the financing choices vary between:

- Paying Cash
- Using bank lines
- Borrowing under senior debt facilities
- Leasing

There is no single right answer. The decision should be based on projected equipment use, its projected useful life span, a company's current financial structuring and the amount of flexibility needed.

If acquired assets are to be used for prolonged periods of time, and their utilization is guaranteed, companies are better off paying cash or borrowing

	Cash	Bank Lines	Debt Financing	Lease
Ease of Use	✓✓✓	✓✓	✓	✓✓✓
Flexibility	✓✓✓	✓		✓✓✓
Low Cost	✓✓	✓	✓	✓✓
Technology Changes	✓			✓✓✓
Asset Disposal	✓			✓✓✓
Asset Management	✓			✓✓
Funding Limits	✓✓✓			✓✓
Long Term Use of Assets	✓✓✓	✓✓	✓✓	✓

Financing Options: Best Uses

under bank facilities. If a company has excess cash or generates superior returns via the use of cash, cash provides greater flexibility when compared to debt instruments. Debt arrangements often take time to negotiate, approve and document. Additionally, the terms can be difficult to change if the requirements of the business change; changes in demands resulting in lower asset utilization. This is why debt agreements tend to be more effective if assets will be used for many years without change.

Leasing is a financing tool that can be used in conjunction with cash purchases, bank financing or senior debt instruments. Leasing equipment provides protection from obsolescence and a hedge against a long term commitment to assets that may not be needed indefinitely. It's like buying insurance, adding flexibility where upgrades, replacement or removal may be needed within a timeframe that is shorter than an asset's projected useful life.

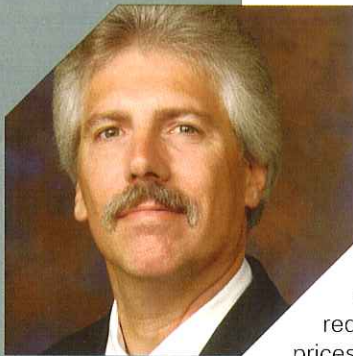
Leasing also helps conserve cash flow (no need to pay up front) and borrowing capacity. The negotiation and documentation of lease transactions also tend to move more quickly compared to bank financing. Inherently, leasing also solves problems arising from asset disposition. Today, both state and federal regulations require stringent compliance with disposal rules often levying large fines for non-adherence.

continued on page 2

"Looking at the needs and life-cycle of equipment throughout the process will enable you to better know the financing option that is best for you."

Tech
Update

by Jim Leve

Dual-core technology not just
in servers anymore

It seems all tier 1 players have filtered down dual-core technology from servers to desktops and laptop models.

IBM has refreshed their IntelliStation Pro Workstation A, M, and Z Pro models with the AMD Opteron multi-core, Intel Pentium 4 dual-core, and Intel Xeon dual-core processors respectively. Dell now offers AMD Opteron multi-core processors in their 4-way server line-up. HP is coming out with redesigned fan components for their blade server product to address the cooling issues. This new design will directly place cooled outside air onto the specific components requiring it most. With memory and hard drive prices continuing to fall, most new hardware comes standard with 512 vs. 256MB RAM, and 60 or 80GB hard drive options vs. 30 or 40GB.

How do the dual-processor technology memory and storage capacity enhancements affect the future values of PC hardware? Single processor chip hardware now becomes parts machines from a three

year residual standpoint. With anticipated faster chip enhancement timetables, and continued memory and storage price performance increases, we expect the two year and beyond server and PC residual values to reside in memory, hard drive, and peripheral read / write devices. Many of the Pentium 3 and early low-end Pentium 4 Intel servers coming back off lease today are remarketed overseas with parts traded in a well developed aftermarket.

Once Microsoft's next generation operating system (Vista) is widely adopted, machines with 256MB RAM, less than 20GB Hard drive, and no DVD (requirement for loading the new OS), will be replacement/upgrade candidates. The upgrade scenario will lend itself to low-end Intel servers where quality memory and hard drive parts are readily available.

LaSalle can provide server upgrade parts including additional processors, memory, disk, and communication adapters for most tier 1 manufacturers. Through our many reseller and partner arrangements, we offer very competitive rates for new systems as well. Please contact your LaSalle sales representative or me at 847-823-9600. ■

continued from page 1

Another factor to take into account when looking at finance options are "other" costs outside of the actual equipment costs. This may include disposition at the end of the assets life, maintenance, software, delivery and other items. When leasing, all of these "other" factors can be included into the lease itself, ensuring all book costs are covered.

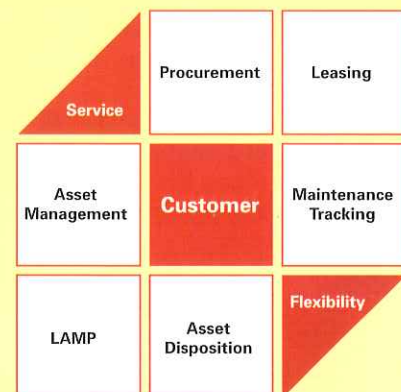
In order to effectively use cash, bank lines or leasing, a company should have a pretty good idea of what kind of equipment it needs and how it intends to use it. Just as important, an organization looking to lease needs to establish a relationship with a trustworthy partner. It must be a relationship where ideas, thoughts and expectations are communicated and understood.

As you can see, selecting the financing option is just part of the process. Determining the needs and life-cycle of equipment throughout the process will enable you to better know the financing option that is best for you.

At LaSalle, we look at the entire process and work with you every step of the way from communicating needs and expectations, through equipment tracking

and disposition. We look at the financing relationship and our customers as long-reaching and know that we earn our customers' trust every step of the way.

Please do not hesitate to contact us with any questions about financing or other questions you may have for asset life-cycle management. ■



LaSalle Systems Leasing, Inc.

What we do.

President's
Column
continued

*"At LaSalle,
we look at
the entire
process
and work
with you
every step
of the way..."*



LaSalleHappenings

LaSalle's been busy this quarter. Here are some highlights...to find out more about our news and events, please go to www.elasalle.com/news.

LaSalle's Business Solutions group (LBS) has achieved **Cisco Silver Certification!**

"We're proud of the Cisco Silver Certification," says Steve Robb, General Manager, LBS. "It recognizes us for our commitment to our customers and vendors."

The **LaSalleListens** program held an overview of **LAMP enhancements**.

Are you part of LaSalleListens? We invite you to go to www.elasalle.com/lasallelistens to find out about the program and how you can become a member.

Bob Metzen and John Christopher presented an **"Overview of Financing Options"** at EmbarkIT, in Des Moines, IA.

LBS has been awarded **Tech Data's Cisco Services VAR of the Year** award, proving further that we are **working to provide you with the best service possible.**

"As one of our leading Cisco resellers, LaSalle demonstrates exceptional commitment to providing its customers with innovative service and support," said Tech Data's President, The Americas, Ken Lamneck. "LaSalle embodies that philosophy, delivering the latest IT services and solutions to their impressive roster of customers ranging from small businesses to large FORTUNE 500 companies. This award salutes that dedication."

LaSalle sponsored the **CIO / IT Executive Effective IT Leadership Strategies conference**, at the Stephens Convention Center, in Rosemont (O'Hare) Illinois.

AMD continues to chip away at Intel's heels

While Intel and AMD have been trading blows in the microchip manufacturing ring for some time now, recent announcements from both Dell and Microsoft continue to keep the battle interesting.

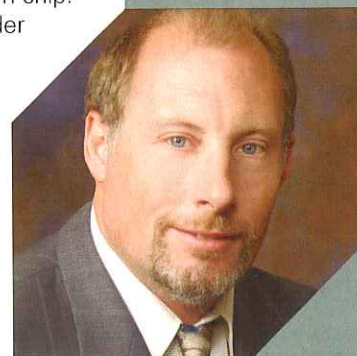
Recently Dell announced that it would be putting AMD Opteron processors inside their multi-processor servers. This came as a surprise to most people given the strong, longstanding relationship Dell has maintained with Intel over the years. Dell was about the only major server manufacturer who had not offered an AMD solution and most observers fully expected that to continue. SUN resisted the relationship with Intel all along, favoring a path of using their own home grown chips until a short time ago, when they decided to offer AMD processors in some of their servers. That decision seems to have been a good one, considering SUN has experienced a solid level of demand for their lower end Opteron based servers. Both IBM and HP have servers running AMD processors, in addition to their home grown variety. It was HP that originally committed to Intel's Itanium product, announcing to its existing customers several years ago that they would be discontinuing the in house PA-RISC processor. That news came as quite a surprise to many loyal HP users, basically being advised that regardless of their opinion of Intel and Itanium, if they wanted to remain an HP UNIX server customer, the choices were Itanium or Itanium.

One additional obstacle Intel has relates to Microsoft and the ability for the Windows market to embrace Itanium. While an operating system to support Windows for Itanium has been in place for several years, many of the critical application software have lagged painfully behind. Many of the virtualization products which are commonly used today have yet to be offered in a version that supports the Itanium chip. These delays have forced most users to consider alternative solutions, which has placed others such as AMD in a stronger position.

Right now the belief is that Intel is no longer in "catch up" mode with their competition, but closer to a "crisis" situation. Since the late 1990s it seems just about every processor availability estimate that Intel has promised, has come in much later than originally stated. Many of them were several months and some years after they had initially planned to release the products to market. This consistent pattern of delays has left many people extremely skeptical about any announcements released by the chip making giant, seeing them more of a public relations move rather than information you can really count on. Tremendous momentum gains are being made by AMD and the reputation of Intel within the multi-processor server community continues to erode. Over the coming 12 - 18 months we shall see if Intel can regain its footing and hold on to the lead position in this race, or continue to lose ground to the likes of AMD. ■

UNIX Update

by Steve Buerger



LaSalle
Case Study

*"The people
at LaSalle
are very
professional,
very responsible
and take their
jobs very
seriously."*



The LaSalle Letter

Summer, 2006

To get the entire article and see all our case studies go to www.elasalle.com/approach.

Case Study Excerpt: Value-added Relationships

...NIBCO leases all its information technology equipment, including servers, disk and tape systems, network gear and laptops. Jeff Miller, manager of technical services and John Greaves, director information systems, agree that an effective business strategy is to maintain a balance among leasing vendors...

...Equally important is that LaSalle offers leasing options other vendors do not, thus reducing NIBCO's total cost of ownership.

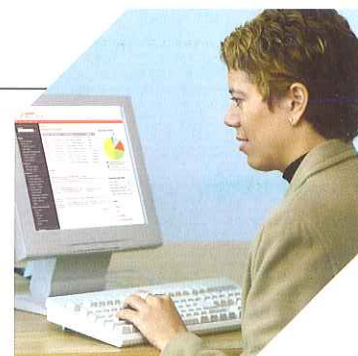
...the true value of working with LaSalle goes far beyond the financial advantages, Miller says. He cites responsiveness, availability, and cooperation as some of the key factors that differentiate LaSalle from other companies. He notes that

responses to RFQs take minutes (literally) to arrive from LaSalle, as opposed to several days from other companies.

He also appreciates the honesty and integrity the company demonstrates in all its dealings with NIBCO.

LaSalle has been supplying IT equipment to NIBCO for about 10 years, and as long as they continue their service levels, Miller intends to maintain the relationship.

"We run competitive quotes on everything, because we try to be sure NIBCO gets the absolute best value for the dollar," he says. "LaSalle isn't always the absolute lowest cost provider, but there is real value in the relationship and we're willing to pay for it. We get more than our money's worth."



LaSalle Systems Leasing, Inc.
6111 North River Road, Suite 200
Rosemont, Illinois 60018

phone 847.823.9600
fax 847.823.1646

www.elasalle.com

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